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A. PURPOSE

This Guide establishes policies, procedures and responsibilities governing the receipt, accountability, recordkeeping, management and survey of Government-owned personal property in order to ensure its control, care, use, and disposal.

B. BACKGROUND

General and special legislation, regulations and Executive Orders place on the Director, National Institutes of Health (NIH); ICD Directors; subordinate line officials, and heads of offices and laboratories the responsibility for establishing and maintaining an efficient personal property management program. To be effective and prevent losses, waste, hazards, unauthorized or improper use, and unwarranted accumulations of property, the property management program provides the following:

1. Effective planning and scheduling of requirements for all personal property to assure that supplies and equipment are available to serve operations while at the same time maintaining inventory levels at a minimum.
2. Assurances that:

- a. Maximum use of personal property is obtained, and property is used for official purposes only.
- b. Adequate inventory controls and accountability records are maintained.
- c. Property is properly cared for, including preservation, preventive maintenance, handling and storage.
- d. Property is made available to other NIH activities including research contractors and grantees, when such property is no longer required for present or future needs.
- e. Newly acquired property is adequately inspected to assure proper quantities, acceptable conditions, and compliance with specifications and standards.
- f. Property management reports, including accountability requirements, are submitted as required.

C. REFERENCES

The following statutory provisions establish requirements for agencies to maintain property accountability, establish

internal controls and adequate inventory controls and to provide for proper recordkeeping in the management of personal property.

1. Section 202(b) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 483(b)) requires that each executive agency maintain adequate inventory controls and accountability systems for property under its control.
2. Title 31 of the U.S. Code (31 U.S.C. 3512) requires that each executive agency establish and maintain systems of accountability and internal controls designed to provide effective control over and accountability for all property for which it is responsible, including adequate monetary property accountability records.
3. Title 18 of the U.S. Code (18 U.S.C. 641) outlines penalties for embezzlement, theft, etc. of any property or thing of value of the United States, or of any Department or agency thereof.
4. Title 16 of the U.S. Code (16 U.S.C. 18f) establishes requirements for the management and maintenance of items of museum properties.
5. Title 2 (Accounting) of the GAO Policy and Procedures

Manual contains principles, standards and related requirements dealing with accounting for the acquisition and retirement of Government-owned property.

6. 41 CFR 101-43 -- Utilization of Personal Property
7. HHS Material Management Manual, 103-27 -- Inventory Management
8. HHS Material Management Manual, 103-43 -- Utilization of Excess
9. NIH Manual 1130, Delegations of Authority
10. HHS General Administration Manual, Chapter 1-90 - Clearance of Personnel for Separation or Transfer
11. Memorandum dated August 16, 1989, from Deputy Assistant Secretary for Management and Acquisition, DHHS, Subject: Property Accountability Criteria

D. DEFINITIONS

The terms used in this issuance are defined as follows:

1. Accountability: An obligation imposed by law, administrative order, or regulation, upon officials of an

agency, to render an accounting to another official for funds or property entrusted to him/her, whether agency owned, leased or acquired by loan from any source through the maintenance of records and submission of prescribed reports. Accountability also includes the responsibility for the custody, use, care, and safekeeping of property.

2. **Accountable Property Officer:** The Chief, Personal Property Branch, Division of Logistics, Office of Acquisitions, is the NIH Accountable Property Officer. This individual is responsible for the day-to-day management of the property system at NIH.
3. **Accountable Property:** Government-owned personal property that meets the DHHS accountable property criteria for which controls must be maintained.
4. **Acquisition:** To obtain ownership of property in any manner, including purchase, transfer, donation, manufacture, construction, condemnation, or production at Government-owned plants or facilities.
5. **Board of Survey:** A committee consisting of three to five officials and/or employees of the agency appointed to make inquiries into the circumstances of a shortage, loss, damage, destruction or cannibalization of property. The Board reports its findings and recommendations to the

Determining Authority (Director, Division of Logistics (DL), AM) for appropriate action.

6. Cannibalization: The removal of serviceable components from otherwise unserviceable Government property.

Approval by the Chief, PPB, is required before Government property may be cannibalized.

7. Capitalization: The assignment of dollar values to property for the purposes of reflecting such values on proper accountability records and general ledger asset accounts.

8. Custodial Area: An area specifically defined by organizational or geographic limits to which personal property accountability is assigned to a designated Property Custodial Officer.

9. Determining Authority: The designated official responsible for making final determinations on Board of Survey recommendations for the NIH. The Director, DL, is the Determining Authority.

10. Disposal: The transfer and removal of property physically from its assigned location and from the official records by sale, donation, transfer, condemnation and destruction, trade-in, or other means.

All disposal actions are coordinated and approved by the Chief, Personal Property Branch (PPB), NIH.

11. Equipment: An article of personal property which is complete in itself, of durable nature, with an expected service life of one year or more, that does not ordinarily lose its identity or become a component part of another article when put into use. Furniture is not included in this term.
12. Excess Property: Property that is no longer required, has been reported to GSA, and is available for transfer to other Federal departments and agencies. At NIH, property is declared excess by the Chief, PPB.
13. Expendable Property: Property which does not meet the definition for equipment, is of relatively low dollar value, is consumed in the performance of an agency function, or is incorporated into the end item. Also referred to as a "consumable item".
14. General Ledger: A fiscal record maintained at NIH by the Division of Financial Management, that reflects the dollar values of assets on hand. The general ledger is the primary record against which all other property financial records are balanced.

15. Inventory Adjustment: Changes made to the official accountable property records when physical counts and records do not agree. All such changes require the approval of the Determining Authority, NIH.
16. Inventory, Contractor/Grantee: Any property acquired by and in the possession of a grantee, contractor or subcontractor, including Government-furnished property, to which title is vested in the Government.
17. Inventory (Noun): A complete listing of all personal property assigned to an organization, whether or not such property is in use. It includes nomenclature, serial and model numbers, decal number, location, acquisition cost and other descriptive information.
18. Inventory (Verb): The act of listing and physically counting items. The physical inventory includes the reconciliation of any differences in the physical counts and listings.
19. Leased Personal Property: Property acquired from a vender for a specified period which the Government has the right to use but does not own. At the end of the lease period the property is surrendered to the vendor.
20. Non-Expendable Property: Categories of property which

are carried as assets on property control records and the NIH General Ledger account.

21. Personal Custody Property: Property which is less than the current accountability criteria, but which must be accounted for in property records during its useful life. Included are items, regardless of cost, which are issued for the exclusive use of an employee or a unit and by their very nature are considered sensitive and accountable. Included under this definition are all items of accountable property used by personnel while in travel status. Employees must sign for the receipt of this property and are personally responsible for it. Refer to Appendix I for the listing of personal custody property.

22. Property Custodial Officer: An employee, accountable to the ICD Property Management Representative, who is responsible for the day-to-day custody, use, care, and safekeeping of property in a defined custodial area. These individuals are designated, in writing, by the ICD Property Management Representative. The Property Custodial Officers report to the NIH Property Accountable/Management Officer and are responsible for reporting any changes to the records regarding acquisitions, transfers, disposal, etc., affecting property under his/her custody.

23. Property Management: The broad function which includes the management, coordination and administration of activities concerned with planning property requirements; the acquisition of property; the receipt, storage and distribution of property; the utilization, care and disposition of property; and property accountability controls.

24. Property Management Officer: The Director, DL, AM, is the NIH Property Management Officer. This individual is responsible for directing an effective personal property system, including: Property accountability, inventory, utilization and reutilization, declaration of excess property, and rehabilitation.

25. Property Management Representative: An official who is responsible for directing the personal property management program in an ICD, and is accountable to the NIH Property Management Officer. At NIH this individual is the ICD Executive Officer. The duties and responsibilities of the Property Management Representative may be redelegated.

26. Report of Survey: A tool used to determine responsibility and establish the extent of liability for the loss, damage and/or destruction of Government

controlled personal property; or to provide relief from responsibility, liability and/or accountability for such property.

27. Reutilization: The identification, reporting and transfer of excess personal property among Federal agencies to fill current and future requirements in lieu of a new procurement.
28. Trade-In (Exchange): The action of providing to a vendor a like item for a new item purchased and applying an agreed upon value for the like item toward the purchase price of a new item. Such actions require the approval of the Chief, Property Accountability Section (PAS), PPB.
29. Scrap: Personal property or material that has no value except for its basic material content.
30. Surplus Property: Any excess personal property for which there is no longer a need in the Federal Government. Such property is declared "surplus" by the General Services Administration (GSA).
31. Utilization: The degree to which property assigned to
a
custodial area is actually in use.

32. Unrequired Property: Property which is no longer required by an organization and is available for transfer for further utilization. At NIH "unrequired" property is held by the Property Utilization Section (PUS), PPB, and is available for reissue to other NIH entities. If not reissued, it is declared "excess" by the Chief, PPB, and placed under GSA jurisdiction. "Excess" property not acquired by other Federal agencies is eventually declared "surplus" by GSA and donated to eligible organizations or sold to the public as Government surplus.

E. RESPONSIBILITIES

Appendix II reflects the NIH Property Management Organizational structure.

1. NIH Property Management Officer:

The Director, DL, AM, is the NIH Property Management Officer and shall:

- a. Oversee, review and direct an effective system for the accountability, utilization, maintenance, and disposal of personal property.
- b. Advise the PHS and DHHS on property management policies, systems and procedures in place or being

proposed by the NIH. The NIH Property Management Officer participates in the development of PHS property management policies, systems and procedures.

- c. Administer the NIH personal property management program, within the framework of the PHS and DHHS instructions.
- d. Review and evaluate personal property management activities, identify any weaknesses, and recommend and oversee corrective measures.

2. NIH Accountable Property Officer:

The Chief, PPB, DL, AM, is the NIH Accountable Property Officer and shall:

- a. Interpret directives and instructions, and initiate the implementation of all phases of personal property management.
- b. Provide leadership and guidance in the use, care, rehabilitation and disposal of property.
- c. Ensure that property accountability records are verified and reconciled by periodic property

inventories

- d. Direct the preparation of documents reflecting acquisition, transfers and disposal, and require receipt of all such transactions.
 - e. Certify inventory reports and other property status reports.
 - f. Coordinate the flow of documents or reports within the NIH, PHS and DHHS.
 - g. Investigate matters which require Board of Survey action.
 - h. Oversee a property utilization and disposal program appropriate to the needs of NIH.
 - i. Remain accountable for all personal property throughout the NIH until relieved by formal transfer of accountability or relieved by other official act.
3. Property Management Representative:

Each ICD Property Management Representative shall act under the general staff direction of the Property

Management Officer, NIH. The Property Management Representative shall be responsible for directing the personal property management program within an ICD. The Property Management Representative shall:

- a. Advise the organization on administrative actions, directives or instructions regarding management of personal property.
- b. Be accountable for all of the organization's accountable property.
- c. Designate and approve in writing the appointment of Property Custodial Officers who will be responsible within designated areas to the ICD Property Management Representative.
- d. Coordinate property management activities with the Chief, PPB.
- e. Remain accountable for all property in the organization until relieved by formal transfer of accountability.
- f. Direct Property Custodial Officers in conducting and reconciling annual and special inventories, and furnish the Chief, PPB, with reports of completed

inventories.

4. Property Custodial Officers shall:

- a. Be directly responsible to the ICD Property Management Representative on all property management matters.
- b. Be familiar with and advise staff on property directives, inventory procedures, and other related property matters. Report to the Property Management Representative all inventory shortages or overages and any changes affecting assigned property.
- c. Be responsible for the care, preservation, and use of property entrusted to his/her area.
- d. Prepare and process the required documents covering the acquisition, transfer, clearance, loan, etc. of property, including obtaining receipt signatures for personal custody property.
- e. Identify and affix an NIH decal to all accountable property items delivered directly from vendors to ordering offices, items received at field stations, fabricated equipment and contractor-installed

property for responsible custodial area.

f. Encourage, to the fullest extent possible, use of unrequired or excess property instead of new acquisitions. Survey storage areas periodically and consult with the Chief, PUS, PPB, on transfer of unrequired property.

g. Conduct and reconcile annual and special inventories and furnish reports of completed inventories to the ICD Property Management Representative and Chief, PPB.

5. All NIH Employees:

Responsibility for the care and protection of Government property is an obligation inherent in every position occupied by an NIH employee and required by DHHS regulations in 45 CFR 73.735. More specifically, an employee shall:

- a. Not use, or permit any other person to use, Government property for any purpose not authorized by law, except in cases of actual emergencies threatening the loss of life or property.
- b. Not appropriate for personal use any article of

property, including property which has been ordered to be abandoned, destroyed or is in scrap condition.

- c. Immediately notify NIH Police, or the appropriate security organization, of Government property which has been stolen. Notify ICD Property Custodial Officer of Government property which has been stolen, lost, destroyed or damaged.
- d. Not remove property from a building unless removal is authorized by the ICD Property Custodial Officer using a Property Pass, NIH Form 368.
- e. Return all property, or otherwise render an accounting of all personal property, and other items for which he/she is personally responsible and accountable upon permanently leaving the control of an accountable custodial area. Refer to HHS GAM Chapter 1-90 (as cited on page 2) for Clearance of Personnel for Separation or Transfer.
- f. Decontaminate, empty, clean and make safe all property he/she uses or has control of prior to transfer or movement.

F. REDELEGATION OF ICD PROPERTY MANAGEMENT REPRESENTATIVE

AUTHORITIES

After notification from the ICD, the NIH Accountable Property Officer shall designate the ICD Property Management Representative (PMR) in writing and the PMR shall note acceptance of PMR responsibilities by signing a copy of the designation and returning to the NIH Accountable Property Officer (see Appendix III). Designation of a new PMR shall be made promptly when it is necessary because of a change in the employment status of the present Property Management Representative (e.g., transfer, separation, retirement).

G. DESIGNATION OF PROPERTY CUSTODIAL OFFICERS

Property Custodial Officers shall be designated by the ICD Property Management Representative. The designation of the Property Custodial Officer shall be made in writing, and a copy submitted to the ICD Property Management Representative with a signature showing employee acceptance. (See Appendix IV). The ICD Property Management Representative is responsible for informing the Chief, PPB, in writing, of any changes in Property Custodial Officers.

H. PROPERTY MANAGEMENT TRAINING REQUIREMENTS

1. It is the policy of the NIH that personnel engaged in the property management process receive prescribed property

management training. Specific training requirements are outlined in Appendix V. After successful completion of the required courses, employees will receive Property Management Certification.

2. Property management authority is delegated to named individuals, not to positions. Newly appointed property management officials who have not had the opportunity to receive proper training certification prior to beginning their duties may obtain interim authority for one year.

I. PERSONAL PROPERTY MANAGEMENT COMMITTEE

The Personal Property Management Committee (PPMC) is established to provide effective communications by involving representatives from the NIH property community. The PPMC serves in an advisory capacity to the Director, DL, AM, on all aspects of property management, including policies and procedures. Membership of the PPMC shall consist of the Director, DL; Chief, PPB; and the ICD Property Management Representatives.

Each member shall designate an alternate who shall attend the PPMC meeting when the member cannot attend. Regular committee meetings shall be held at a time designated by the Chairperson each month. In addition to regular meetings, the PPMC may hold planning seminars, training sessions, and/or conferences

for the purpose of promoting better communications and working relationships.

J. CAPITALIZATION OF PERSONAL PROPERTY

All non-expendable NIH-owned personal property meeting established accountability criteria is regarded as an asset and is reflected in the NIH's central property accountability and control records, maintained by the PAS, PPB, DL, AM.

Personal property will be capitalized, however, if it meets the following criteria:

1. The item (a) has a unit acquisition cost of \$25,000 or more (including accessories); (b) is complete in itself; (c) does not lose its identity or become a component part of another article when put into use; and (d) is of a durable nature with an expected life of one year or more.
2. The item is a durable end-product of expendable or non-expendable personal property items which have been merged, assembled, joined, or otherwise manufactured to form a single unit or system with a combined acquisition cost of \$25,000 or more.

Capitalized equipment is valued at the net acquisition cost if readily determinable; otherwise, at the estimated acquisition

cost. Property acquired at no cost is capitalized at the normal acquisition cost to the Government (estimated if not known) of a similar item. Items acquired on a trade-in basis are capitalized at gross acquisition price; that is, no deductions shall be made for the trade-in allowance on the item replaced. Commercial, trade, and volume discounts are deducted from the total price in arriving at the net cost to be recorded.

Where the cost of an article is Freight on Board destination, the delivered cost is used. If the cost is FOB point of origin with transportation charges to be paid by the Government, the cost at the point of origin is used and transportation cost to the Government is not capitalized.

In those instances where the cost of the article includes installation charges, such charges are capitalized. Cost to relocate or to reinstall at some later date is charged to operating expenses.

NIH-manufactured articles are capitalized in the same manner as similar articles obtained from commercial or other sources.

At NIH, activities financed from regular appropriations do not depreciate property on their records. Only when activities are financed from a revolving fund or on a working capital basis is non-expendable property depreciated, and the

depreciation considered as a current operating cost.

The total dollar acquisition value of any item of capitalized property which is retired from service, donated, sold, exchanged, or otherwise disposed of by the PMD is deleted from the accountability records and the general ledger account.

K. OWNERSHIP OF PROPERTY

Title to all NIH-owned property is vested in the Federal Government. The NIH is accountable and responsible for property which it acquires by purchase from its appropriations, gift funds (see NIH Manual Issuance 1135, Gift Administration), by transfer, by donation or otherwise, until the property is disposed of in an authorized manner, regardless of whether or not such property is in NIH's immediate custody.

1. Interagency and Intra-Agency Agreements

NIH does not acquire title to U.S. Government property that it receives for use under interagency or intra-agency agreements from other organizations unless so stipulated in the agreement. In such cases, the agreement becomes the acquisition document for proof of ownership.

2. Cooperative Agreements

The cooperative agreement shall list each item of NIH non-expendable property assigned to the project, and shall provide custodial responsibilities by the organization having the use and control of the property, and for the disposition of the property when it has served its purposes or the project terminates. In no case shall disposition be substantially later than the completion date of the project.

Each agreement providing for the purchase of property with NIH funds shall specify whether acquired property is wholly-owned by the Federal Government or whether the Federal Government has a partial interest, as in the case of property acquired by pooled funds. In the first instance, there shall be a written agreement which provides specifically for the disposition of property when it has served the purposes of the project, and in no case later than upon completion of the project. In the second instance, a written agreement shall specify the degree of Federal ownership and provide appropriate provisions for disposition of equities through adjustment of funds or a disposition of specific property equal to the residual interests of the Federal Government at the completion of the project.

A copy of all cooperative agreements which include NIH owned non-expendable property must be submitted to the Chief, PAS, PPB, DL, AM. Accountability of all Government-owned property is required in the accountability system until disposition of such property occurs.

3. Research and Development Contracts

Contracts for research, development, and technical services which include property furnished by NIH and property acquired under the contract must state that the contractor, who is reimbursed by NIH, will be accountable and responsible for the custody, care, and maintenance of such property. The contractor must maintain adequate property control records and identify all NIH-owned property. Upon completion of the contract, or upon termination of the need for the property in the performance of a contract, the Contracting Officer, with the concurrence of the Chief, PAS, PPB, DL, AM, shall instruct the contractor regarding disposition of the NIH property.

A copy of all research and development contracts which include property provisions must be submitted to the Chief, PAS, PPB, DL, AM. Accountability of all Government-owned property is required until disposition

of such property occurs.

4. Small Business Innovation Research (SBIR) Grants and Contracts

Title for Government-furnished or funded equipment shall vest in the Federal Government during the course of the SBIR funding agreement, but may be transferred to the awardee organization upon conclusion of the SBIR project, if it is found to be more cost effective to do so than to recover the equipment (reference Public Law 97-219). A written determination and authorization by the appropriate Grants Management or Contracting Officer is required for the transfer of title to Government property to an SBIR awardee.

5. Grants To For-Profit Organizations

Title to equipment acquired by a for-profit recipient under a financial assistance award shall vest upon acquisition in the Federal Government. The management, control and disposition of property in the hands of grantees will be governed by the rules applicable to contractors which are set forth in 48 CFR 345.

L. PROPERTY RECORDS

NIH uses an on-line system to account for accountable property. Access to the system is through the NIH Administrative Data Base. ICDs are delegated the on-line responsibility for the day-to-day maintenance of their non-expendable property records. This includes transactions such as adding and transferring items in the ADB system. The PAS, PPB, maintains the official file of all supporting documentation affecting the general ledger account and has the overall responsibility for review and approval of ICD transactions.

M. PHYSICAL INVENTORY

A Physical inventory is a periodic physical count of property that is actually on hand and the comparison of those counts with the applicable property records. Physical inventories of accountable property, items that require special control, or are determined to be subject to unusual rates of loss, theft, or misuse, (i.e., sensitive items) are to be done annually.

Refer to Appendix VI for physical inventory criteria.

Refer to Appendix I for a listing of Government property to be classified as sensitive equipment or personal custody property regardless of dollar value.

N. IDENTIFICATION OF PROPERTY

Regulations require that all Government property, meeting accountability criteria (including those that bear a manufacturer's serial number), be individually identified with an NIH decal. This includes all property in the hands of contractors and for-profit grantees. Property identification decals shall not be removed, defaced, obliterated, or changed. If the number is damaged or defaced, the Property Custodial Officer shall notify the Property Management Representative and request a new decal and adjustment of the property records.

When accountable property is received, it should be reported to the Property Custodial Officer. The Property Custodial Officer is responsible for ensuring that the decal is affixed and that the information is entered into the automated property data base within five working days.

The property decal shall not be placed on the back or sides of the equipment, where it cannot be seen without moving the item, but shall be readily visible. The area to be decaled shall be cleaned with alcohol. The decal shall be attached on a permanent part of the item, on the front right hand side preferably, and if this is not possible, in a location which will not affect the operation of the equipment. Decals are usually placed adjacent to or on the manufacturer's identification plate. Decals should be placed, if possible, on a smooth, rather than rough or crinkled surface of the

equipment.

O. REMOVAL OF PROPERTY FROM NIH BUILDINGS AND GROUNDS

Security procedures have been established to ensure the safeguarding of all Government assets. All property, regardless of its condition, is property of the United States Government. Government property is NOT available for personal use.

Government property is not permitted to be removed from NIH without a properly executed NIH Form 368 Property Pass or NIH Form 2489 Personal Property Loan Record. Employees requiring the use of Government property away from their official work station for up to 30 days are required to obtain prior approval with the NIH Form 368 from the appropriate Property Management Representative or ICD designee. Persons, other than employees, whose work necessitates the removal of Government property (such as service or repair personnel) are also required to obtain the NIH Form 368 from the appropriate ICD official to remove the equipment for repair. If the property is being shipped, NIH Form 1884 Request for Shipment and Notice of Shipment is required in addition to the NIH-368 Property Pass. No employee with authority to issue property passes may authorize his/her own removal of Government property. Copies are to be distributed as indicated on the form.

Refer to Section Q. Loaning Property when the property will be loaned for a period in excess of 30 days.

P. LOST, DAMAGED, DESTROYED, OR STOLEN PROPERTY

1. Property Damaged or Destroyed

When property is damaged or destroyed the circumstances shall be reviewed by the Board of Survey. NIH Form 254, Report of Loss or Damage of Property, shall be prepared documenting the details and submitted to the Chief, PPB. This does not apply to damage which occurs during normal day-to-day usage such as hard disk failures, broken typewriter keys, etc.

When property is damaged or destroyed as a result of carelessness, willfulness, or negligence, an immediate and thorough investigation shall be conducted by the Property Custodial Officer. In addition, the employee responsible for the property and the Property Custodial Officer shall submit statements using NIH Form 254, Report of Loss or Damage of Property, through the ICD Property Management Representative, to the Chief, PPB, for necessary action.

2. Lost or Stolen Property:

In cases of loss or theft of property, immediately notify the NIH Police on 496-5685. Off-campus locations shall notify the County Police in addition to the NIH Police.

It is the responsibility of the Property Custodial Officer to obtain factual statements from all persons involved, complete and submit NIH Form 254, Report of Loss or Damage of Property, to the Chief, PPB. The loss reports shall contain:

- a. Date of loss, if known, including the date the item was last known to be on the premises;
- b. Safeguards taken to ensure against loss of property;
- c. To whom the loss was reported;
- d. Any actions taken for recovery;
- e. Whether or not any one was negligent in the handling of the item or contributed to its loss.
- f. Whether a search was made in other areas other than the owning custodial area and the results of such search;

- g. All other factors concerning the case.

Q. LOANING PROPERTY

1. Policy:

Personal property may be loaned on a temporary basis to a non-Federal institution, an organization or an individual, and borrowed from other Government agencies.

Prior approval is required by the Chief, PPB, for any of these transactions. Regulations discourage the practice of borrowing, or accepting the loan of property from non-Government organizations, unless the property is:

(1) necessary to the discharge of the duties and essential functions of the NIH; is not otherwise available to the NIH; and (3) its acceptance as a loan is clearly in the best interest of the Government. Prior approval of the Chief, PPB, is required before actions of this nature are taken.

2. Procedures:

- a. Loans from NIH to Non-Government Individuals;
Organizations or Institutions:

When it has been determined that the loan of property to a non-Federal organization or

individual would be beneficial to the Government,
NIH Form 2489, Personal Property Loan Record, must
be completed by the loaning organization and
submitted to the Chief, PPB, for prior approval
provided that:

- (1) The loan is beneficial or will serve a useful
purpose to the Government;
- (2) The property to be loaned is not unrequired.
Unrequired property must be turned in and made
available for other Federal use;
- (3) The loan will not cause acquisition of a
similar item;
- (4) The permitted use under the loan will not
cause the property to be destroyed or damaged;
- (5) The loan is subject to termination by the
Government at any time at the discretion of
the authorizing official; and
- (6) The loan is for a specified time period and
will not exceed six months for individuals or 12
months for institutions, or organizations.

The NIH-Form 2489, Personal Property Loan Record,
is to include:

- (a) The period of the loan;
- (b) Nomenclature, including serial and model numbers, decal numbers, acquisition cost and other descriptive information.
- (c) The intended use of the property and the purpose for which it is being loaned;
- (d) The property is non-transferrable by the borrower;
- (e) The borrower will provide advance notice of intent to return property;
- (f) The provision for the termination of the loan at any time by the Government;
- (g) An agreement by the borrower to be responsible for any damage and/or repairs necessary as a result of usage;
- (h) All transportation expenses incident to the delivery or return of the property will be at

the borrower's expense; and

- (i) The benefits to be derived by the Government either directly or indirectly.

The ICD Property Management Representative will review the form for completeness and the justification for adequacy, and will submit the NIH-Form 2489, Personal Property Loan Record, to the Chief, PPB, for approval. When approval is received arrangements can be made to have the property moved to the loan recipient. Property will not be released for loan until approval is received.

Each piece of loaned property shall be labelled with a tag showing that the item is:

"Borrowed Property";

The name and address and telephone number of the owning ICD;

The loan number assigned by the PPB; and

The time period of the loan.

b. Loans Between NIH, PHS, DHHS, and Other

Federal Government Agencies:

Refer to NIH Manual Issuance 1165,
"Interagency and Intra-Agency Agreements" when
making loans to or borrowing from other
agencies. The procedure for loaning property
to other Government organizations is the same
as that for loaning property to non-Government
activities, except that these loans must also
be supported by an agreement with the
borrowing organization that addresses the
following:

(1) Intended use of the property and the
purpose of the loan;

(2) A statement that the loaned property
is non-transferable;

(3) Whether the loan is made with or
without reimbursement to the loaning
organization; and

(4) The responsibility for the return of
the property at the borrower's
expense in as good a condition as

when loaned, fair wear and tear
excepted.

c. Loans from NIH to Individuals, Organizations
or Institutions in Participating Foreign
Countries Under the PHS Act

When it has been determined that the loan of
property to an organization, institution, or
individual in a participating foreign country
would be beneficial to the United States
Government and the NIH mission, NIH Form 2489,
Personal Property Loan Record, must be
completed by the loaning NIH organization and
submitted for prior approval. In considering
the request, the following issues must be
addressed :

- (1) The loan must be beneficial or will serve
a useful purpose to the United States
Government and the NIH mission;
- (2) The shipment must be approved by the
Departments of Commerce and State for
exportation and importation, regardless
of who is paying for the shipment.

- (3) The property to be loaned is not
unrequired. Unrequired property must be
turned in and made available for other
Federal use;
- (4) The loan will not cause acquisition of a
similar item;
- (5) The permitted use under the loan will not
cause the property to be destroyed or
damaged;
- (6) The loan is subject to termination by the
US Government at any time at the
discretion of the authorizing official;
and
- (7) The loan is for a specified time period
and will not exceed six months for
individuals or 12 months for institutions
or organizations.

The NIH-Form 2489, Personal Property Loan
Record, is to include:

- (a) The period of the loan;

- (b) Nomenclature, including serial and model numbers, decal number, acquisition cost and other descriptive information.
- (c) The intended use of the property and the purpose for which it is being loaned;
- (e) The borrower will provide advance notice of intent to return property;
- (f) The provision for the termination of the loan at any time by the U.S. Government;
- (g) An agreement by the borrower to be responsible for any damage and/or repairs necessary as a result of usage;
- (h) All transportation expenses incident to the delivery or return of the property will be at the borrower's expense; and
- (i) The benefits to be derived by the US Government either directly or indirectly.

The ICD Property Management Representative will review the form for completeness and the justification for adequacy, and will submit

the NIH-Form 2489, Personal Property Loan Record, to the Chief, PPB, through the Chief, Shipping and Receiving Branch, for clearance. The Chief, PPB, will obtain final approval from the appropriate NIH official. When this approval is received, arrangements can be made to have the property shipped to the loan recipient. Property will not be released for loan until approval is received.

Each piece of loaned property shall be labelled with a tag showing that the item is:

"Borrowed Property";

The name, address and telephone number of the owning ICD;

The loan number assigned by the PPB; and

The time period of the loan.

d. Loans to NIH from Non-Government Activities:

This includes property left in the possession of the NIH for demonstration purposes, etc.

In the event a loan of this type is considered

to be in the best interest of the Government,
NIH Form 2179, Agreement for the Loan of
Property To NIH, must be completed and signed
by the lender, the borrower, and the ICD
Property Representative. The form is to be
submitted to the Chief, PPB, for approval,
prior to acceptance of property.

R. UTILIZATION AND DISPOSAL OF PROPERTY

It is the policy of the Government to utilize all unrequired
and excess property to the maximum extent possible. Excess
property is the first source of supply. Unrequired property
should be considered to meet possible requirements elsewhere
in the organization, or to be used as a trade-in on a new
acquisition. NIH staff should contact the PUS, PPB, either by
telephone (496-4247) or in person.

All organizational units shall review property under their
control to determine that which is unneeded. Unrequired
property shall be promptly transferred to the PUS, PPB, as
outlined in Section S. below.

1. Unserviceable Property:

Property that is unserviceable shall be transferred to
the PUS, PPB, using NIH Form 649, Report of Property

Transfer. The Property Custodial Officer shall list such property on the NIH Form 649, which is accessed through the automated NIH Administrative Data Base, Property Accountability System Module. The form shall be transmitted on-line to the PUS, PPB, after assuring that all clearances are obtained prior to transmittal. In addition, the Property Custodial Officer is responsible for attaching an NIH Form 2683, Certification that Equipment is Free From Hazards, to each item medical/scientific equipment item. The PUS, PPB, will arrange for pick-up of the items by the Transportation Branch (TB), DL. TB personnel will not pick up items that are not tagged.

2. Unrequired Property:

All unrequired usable property that has been transferred to the PUS, PPB, is placed on display in Building 13, Room 2E65 for at least 30 days usually to permit inspection and reissue to NIH activities. Reissue to NIH organizations is accomplished through Form NIH-649, Report of Property Transfer, from the PUS, PPB, to the gaining custodial area through the on-line Administrative Data Base, Property Management System.

A listing of all unrequired property at NIH is available on-line through the NIH Administrative Data Base,

Property Management System. Property not reutilized by NIH activities within the thirty day screening period will be reported to the GSA for screening by other Federal, State and other eligible agencies. Once property has been reported to GSA, it can only be reissued to NIH activities with the written authorization of GSA.

3. Trade-In (Exchange) of Government-Owned Property:

Requests for trade-in are to be submitted to the Chief, PAS, PPB. In addition to the description and data for the new item to be purchased, the following information concerning the item to be traded-in is required:

a. Dollar Value Offered By Vendor For Trade-In:

\$

b. Vendor's Name, Address, Telephone Number:

c. Description (Including Federal Supply

Classification Group Number, serial number, model number, NIH decal number, and any other identifying information)

d. Condition:

- e. Date Acquired:
- f. Reason for Replacement:
- g. Available for Inspection (Location: Building, Room Number)
- h. Date Available for Release:
- i. Certification: (To be signed by cognizant Administrative Officer) "The item of property to be traded-in is deemed similar to the item to be acquired and is eligible to be traded in accordance with the provisions of the Federal Property Management Regulations and the DHHS Material Management Manual. The item acquired will be used in the performance of all the tasks or operations in which the item replaced would be used and any proceeds accruing from the exchange of item replaced will be applied against the acquisition cost of the replacement item."

NIH Form 1872, Report of Action on Disposal of Replacement Property, will be prepared by the PPB and the package will be returned to the requesting organization for processing through the procurement system.

4. Donations:

a. Domestic

NIH does NOT have the authority to make gifts or donations of unrequired supplies or property to domestic schools, individuals, charities, communities, states, etc. This authority rests solely with the General Services Administration.

b. Foreign (Under the PHS Act)

When it has been determined that the donation of property to an organization, institution, or individual in a participating foreign country would be beneficial to the United States Government and the NIH mission, NIH Form XXXX, (form number to be determined) Personal Property Foreign Donation Record, must be completed by the donating NIH organization and submitted for prior approval with the following:

- (1) An explanation specifying the benefit or useful purpose to be derived by the United States Government and the NIH mission;
- (2) Clearance by the Chief, Shipping and Receiving

Branch, DL, indicating that the property has been approved by the Department of Commerce for exportation, regardless of who is paying for the shipment.

The ICD Property Management Representative will review the request for completeness and the justification for adequacy, and will submit the NIH-XXXX, (form number to be determined) Personal Property Foreign Donation Record, to the Chief, PPB, through the Chief, Shipping and Receiving Branch, for clearance. The Chief, PPB, will review the documentation and contact the Department of State to obtain clearance to import the property into the foreign country. The PPB will obtain final approval from the appropriate NIH official. When this approval is received, arrangements can be made to have the property shipped to the recipient. Property will not be released for donation until approval is received.

5. GSA Sales

The GSA conducts sales of NIH property or other surplus Government property. Such property is offered for sale by auction, and NIH employees may submit competitive bids; however, no purchase of

property may be made either directly or indirectly
by an employee who was in any way connected with
its condemnation, declaration as surplus, or sale.

S. PROPERTY TRANSFERS

1. Preparation of Property for Transfer:

To ensure the safety of both personnel and property, all
property to be transferred must be hazard free and safe
to move. The last user of the item is responsible for
the preparation of the item for safe movement and
correcting situations that arise from transferring
contaminated or hazardous items.

2. Policy

- a. The Transportation Branch (TB), DL, is the only
organization authorized to move unrequired
scientific/medical property to the PPB. TB
employees are trained to identify such property
that may be contaminated and to move such property
safely. The PPB will not accept deliveries from
contract movers, except where prior approval was
given by the PPB.
- b. The last known users of NIH personal property can

be held responsible for correcting any problems their hazardous property causes, even if it is no longer in their custody.

- c. All property to be moved must comply with I&I Memorandum, DL 90-2, Safe Movement of Scientific/Medical and Abandoned Personal Property.
- d. Property Custodial Officers are responsible for verifying with the last user that the item is free of contamination as outlined in I&I Memorandum, DL 90-2, Safe Movement of Scientific/Medical and Abandoned Personal Property. Additionally, the Property Custodial Officer is responsible for attaching the NIH Form 2683, Certification that Equipment is Free From Hazards, to each item being transferred. Transportation Branch personnel will not move any item that does not have a tag.

The NIH-Form 649, Report of Property Transfer, which is transmitted on-line to the PUS, PPB, through the automated Administrative Data Base, Property Accountability System, is to include the name and telephone number of the individual certifying that the item is free from all hazards including biological, chemical and radioactive contamination, as well as the name and telephone number of the laboratory or branch

chief.

T. CONSTRUCTION, CONVERSION, OR ALTERATION OF PROPERTY

1. Construction or Fabrication of Property:

Accountable personal property that is fabricated or manufactured by an NIH shop facility, laboratory, or other NIH organization, is to be reported by the Property Custodial Officer to the PPB within seven working days from receipt. The report shall indicate the cost of such items, including material, labor and overhead and should identify the organizational unit to which the property is accountable. Items incorporated into buildings, in such a manner where removal will substantially destroy the identify of the item, are considered to be fixed property and do not have to be reported.

2. Property Furnished by Construction Contracts:

Accountable personal property which is installed as a part of a construction contract is to be reported to the Chief, PAS, PPB, by the Property Custodial Officer within seven working days from receipt. The report shall indicate the cost of such items, including material, labor and overhead and should identify the organizational unit to which the property is accountable.

3. Cannibalization of Property:

Requests for cannibalization are to be submitted to the Chief, PPB, and should contain all identifying information on the item, including the NIH decal number, if applicable. Prior, written approval, by the Chief, PPB, is required for the cannibalization of all non-expendable property. If approved, all remaining residual parts are to be transferred to the PUS, PPB, for disposition, using NIH Form 649, Report of Property Transfer.

U. BOARD OF SURVEY

A Board of Survey has been established at NIH. The selection of members of the Board of Survey is made by the Director, DL, AM, who is the NIH Determining Authority. The Board consists of three to five members and shall be convened by the Chief, PPB, as needed.

The Board shall review and investigate property shortages found on physical inventories, and reported cases of lost, stolen, destroyed or damaged items. After examining the facts and reaching its independent conclusions, the Board shall send its recommendations to the NIH Determining Authority. The Board shall make specific recommendations to the NIH

Determining Authority on:

1. Whether shortage, loss, theft, destruction, or damage is
(a) due to the ordinary course of service; (b) incident
to an unusual emergency beyond the control of the person
responsible for the property, or (c) due to the lack of
proper care or protection of the property.
2. Financial liability for the replacement or repair of
property reported lost, stolen, damaged, or destroyed,
whether such loss to the Federal Government occurred
through negligence or a deliberate and overt act.

The NIH is not authorized to compromise any claim on behalf of
the Government, or settle cases involving criminal offense.

Such cases shall be referred to the proper authorities for
appropriate action.

a. Evidence and Information:

The Board shall consider all of the evidence
submitted. It shall have the authority to request,
in its own name, any additional information which
may be required to aid in arriving at the
recommendation. Information may be requested from
other parties including the NIH Police. The Board
of Survey may inspect or examine any item of

property or related record deemed necessary and appropriate.

No property shall be disposed of until it is no longer needed for investigative purposes. The Board of Survey on lost, stolen, damaged, or destroyed property shall:

- (1) Develop a plan of action in relation to the extent and nature of the investigation;
- (2) Develop all facts and circumstances surrounding the incident, and if necessary and feasible, conduct an investigation at the scene of the incident;
- (3) Interview witnesses and obtain signed statements;
- (4) Arrive at the extent and type of loss to the Government;
- (5) Identify all persons or employees involved, and the extent thereof;
- (6) Notify the Determining Authority immediately if it becomes evident that theft or violation

of statutory regulations is involved for
referral to proper authorities and proceed
with survey action;

(7) Record all facts and circumstances resulting
from the investigation and questioning of
witnesses;

(8) Determine whether any loss to the Government
occurred through negligence or dereliction of
duty on the part of an employee;

(9) Determine whether the life of the item has
been shortened by misuse.

The Board of Survey may utilize impartial employees
to investigate and develop the facts in the case.

The Survey Officers are fact-finders who are
responsible to the Board.

b. Board Findings and Recommendations:

The Board of Survey finding must be a concise
statement summarizing the essential facts and
circumstances. The Determining Authority will use
the findings to determine whether or not the
individual(s) cited were responsible for the loss,

damage, or destruction of Government property. The findings must answer the following topics:

- (1) Value of property not recovered;
- (2) Extent and nature of damage to property which has not been removed;
- (3) Identification of the person(s) responsible for loss or damage;
- (4) A finding of pecuniary liability or of insufficient evidence to support a charge of pecuniary liability;
- (5) Whether or not the evidence establishes a degree of negligence and/or a violation of regulations for which disciplinary action and/or criminal investigation is recommended.
- (6) Whether the record of the item(s) should be deleted from the Property Management Information System.

c. Hearings on Cases Involving Employee Liability:

In the event a Board of Survey or Survey Officer's

report recommends holding an employee financially liable, a copy of the report will be sent directly to the employee with instructions to submit a written reply within ten (10) working days stating either concurrence or objection to the findings and recommendations set forth in the report. Failure of the employee to provide the written reply to the Board of Survey will be considered as acceptance of financial liability.

An employee has the right to have an adverse finding reviewed by higher authority. The request for review will be submitted in writing, specifically stating the reasons why the finding should be reviewed. The Determining Authority will forward the appeal, together with the employee's comments, to the Director, Acquisitions Management for approval or denial of the appeal. This decision is final.

d. Action as the Result of Board Findings:

(1) Pecuniary Liability: When the survey calls for collection of pecuniary charges from a Government employee, a OF Form 1114, Bill for Collection, will be prepared by the Chief, PPB, and forwarded to the Division of

Financial Management for necessary action.

(2) ICD Notification: The appropriate ICD

Executive Officer will be informed when the finding indicates employee misconduct, neglect, or a need for ICD property management improvements. Executive Officers may use this information to initiate disciplinary actions or enhanced property management measures.

(3) Personal Property Branch Notification: After

the case is decided, the NIH Determining Authority will authorize the Chief, PPB, to take appropriate action to adjust the property accountability records.

V. CLEARANCE OF PERSONNEL FOR SEPARATION OR TRANSFER

Regulations require that all personnel being separated from or transferred to another organization be cleared for a number of items, including personal property indebtedness, using HHS Form 419, Clearance of Personnel for Separation or Transfer.

The cognizant ICD Administrative Officer shall be responsible for initiating HHS Form 419 immediately upon learning of the pending separation or transfer of an employee from the organization. The Property Management Representative, and other applicable clearing officers shall recover items charged

to the employee, complete the applicable portions of the HHS Form 419, and return the form and related documents to the originating Administrative Officer.

Personal property which is not recoverable shall be reported immediately on NIH Form 254, Report of Loss or Damage of Property, by the Property Management Representative to the Chief, PPB, for Board of Survey action. The form shall give the name and title of the employee; a complete description, including the value and date of issue of each item; and complete information on why the property is not recoverable.

When the value is less than \$500, the NIH Property Management Officer can make a decision based on the information contained on the report. The Chief, PPB, upon receipt of the NIH Form 254 that property is not recoverable, will convene a Board of Survey within three days to determine responsibility for the loss and personal liability, if any. On the basis of the Board of Survey findings, the ICD Property Management Representative will be advised of appropriate action.

Supervisors are responsible for ensuring that issues of employee indebtedness to the Government are resolved and that actions taken are noted on the HHS Form 419.

In cases where the ICD Property Management Representative is separating or transferring, an ICD Property Custodial Officer shall determine whether all property has been accounted for

and complete the pertinent part of the clearance form. The Property Custodial Officer shall be notified in advance by the Administrative Officer so that the transfer of accountability can be accomplished in a timely manner.

W. ADDITIONAL INFORMATION

For additional information on this chapter, contact the Personal Property Branch on 496-5711.

X. ADDITIONAL COPIES OF THIS CHAPTER

For extra copies of this chapter, send a completed Form NIH 414-5 to the Printing and Reproduction Branch, Division of Technical Services, Bg. 31, Rm. B4B-N-09 or call 496-5711.

Appendix 1 - NIH Government Property Classified as Sensitive (Regardless of Item Cost)

Cellular Phones

Gamma Counters

Laboratory Balances

Liquid Scintillation Counters

Motor Vehicles (for road use only)

Personal Computers:

- Central Processing Unit (CPU)

- Monitors

- Portables

- Printers

Photographic Cameras and Lenses

Televisions

VCRs

Weapons (Including Tranquilizer Guns)

Appendix II - NIH Property Management Organizational Structure

PROPERTY MANAGEMENT OFFICER, NIH
(Director, Division of Logistics)

ACCOUNTABLE PROPERTY OFFICER, NIH
(Chief, Personal Property Branch)

PROPERTY MANAGEMENT REPRESENTATIVE, ICD
(Executive Officer, ICD)
(ICD Property Representative)

PROPERTY CUSTODIAL OFFICERS, ICD
(Sub-Custodians)

EMPLOYEES, ICD

Appendix III - Sample Designation as ICD Property Management Representative

DATE :

TO : ICD Property Management Officer

FROM : NIH Property Management Officer

SUBJECT : Designation as Property Management Representative

Subject to your acceptance, you are hereby designated the Property Management Representative for the (ICD).

Upon acceptance, you have administrative responsibility to assist the NIH Accountable Property Officer by maintaining necessary records for all personal property shown in your organization's property inventory account.

Please indicate your acceptance by signing, dating, and returning this memorandum to: Accountable Property Officer, Building 31 Room 2E65.

ACCEPTED: _____
Property Management Representative/Date

Appendix IV - Sample Designation as Property Custodial Officer

DATE :

TO :

FROM : Property Management Representative, ICD

SUBJECT : Designation as Property Custodial Officer

Subject to your acceptance, you are designated as the Property
Custodial Officer for Custodial Area(s) .

Please indicate your acceptance by signing, dating, and returning
this memorandum to me.

ACCEPTED: _____
Property Custodial Officer/Date

Appendix IV, page 2 - Sample Property Custodial Officer Acceptance Agreement

DATE :

TO : Chief, PPB

FROM : Property Custodial Officer

SUBJECT : Acceptance as Property Custodial Officer

I hereby agree to accept all of the duties and responsibilities as
Property Custodial Officer for Custodial Area . I
also agree to accept the accountability for all personal property
listed in the current inventory and those items thereafter as

assigned to me by designation dated .

ACCEPTED: _____
Property Custodial Officer/Date

Appendix V - Property Management Training Certification

1. NIH policy requires that all individuals with property management authority obtain Property Management Certification.

Certification is contingent upon the successful completion of the following courses, or the equivalent:

- a. Property Management Information System
 - b. Property Management for Custodial Officers
2. All training requirements shall be fulfilled within one year following the receipt of the interim Delegated Property Management Authority.
3. In an effort to provide continuing education to everyone in the property field, the Personal Property Branch will sponsor advanced property seminars on selected topics.
4. Space for training courses and seminars is limited. DHHS Forms 350 will be reviewed and priority attendance given to those individuals with interim Property Management Certification. Other individuals will be allowed to attend on

a space available basis.

Appendix VI - Physical Inventory Requirements

1. Accountable personal property (acquisition cost over \$5,000 and items costing \$5,000 or less that require special control or are determined to be subject to unusual rates of loss, theft or misuse [sensitive items])

-- inventory annually
2. Non-accountable personal property costing \$300 or less will not be inventoried once the item is issued or placed in use. (The fact that an item of personal property is not inventoried does not imply that a low cost item does not have to be managed or that it can be thrown away when no longer needed. All "unrequired" property should be reported through property management channels to the Property Management Division.
3. Furniture is exempt from all inventory and control requirements except that which has an acquisition cost over \$5,000. Furniture that is non-accountable will be entered into the inventory records when it enters use and when it is removed from use. Inventory records will reflect total numbers of each type of furniture and will not be kept by individual pieces. Each ICD shall be responsible for maintaining a single furniture inventory.

4. Systems and modular furniture will not be controlled or inventoried after installation. Design and layout materials should be retained to provide information on numbers and types of work stations. Major components of furniture systems will be inventoried and accounted for while in storage.

These changes will be incorporated into the DHHS Material Management Manual at a later date.

Refer to Appendix I for a listing of Government property to be classified as sensitive or personal custody property regardless of dollar value.

Appendix VII - Responsibilities of Supervisors

- A. PURPOSE: The purpose of this appendix is to define the role of supervisors (at the Section Chief or higher level) relative to accountability for personal property (equipment) in their immediate organizations over which they have physical control. It also details the responsibilities of supervisors who have subordinate supervisors. Supervisors are accountable for all equipment, including their own and that of their immediate staff except for equipment under the

control of subordinate supervisors. Accountability for property shall not be delegated lower than the Section Chief or comparable level.

B. POLICY:

1. Responsibilities of Supervisors

(a) Acquisition and utilization of the minimum amount of equipment at the lowest cost necessary to fulfill the organization's mission; consideration of sources of excess equipment to satisfy program requirements; and the care, maintenance, accountability and security of assigned equipment.

(b) Understanding the requirements of the NIH property management program; reviewing equipment security; monitoring the management of their property through information feedback and routine reports; and taking corrective action where necessary.

(c) Protection of assigned equipment from loss, theft and damage. This includes avoiding and preventing improper actions, such as unauthorized loans, transfers, foreign donations, cannibalization of

equipment (scrapping for parts), as well as removal of equipment without a properly executed Form NIH-368, Property Pass.

(d) Control of accountable equipment in their property area of responsibility. Names of supervisors will be placed in the PMIS by the responsible Property Custodial Officer (PCO) and each supervisor will be provided at least annually with a listing of all equipment in their areas by their cognizant PCO. The supervisor must review the list, annotate the list showing any discrepancies, such as missing equipment or the presence of equipment not listed, and sign and return the list to the PCO for correction of applicable records. Signing of this listing by the supervisor acknowledges responsibility for the management and control of all property within their area of responsibility. Copies of this signed listing should be maintained by the responsible supervisor and the PCO.

(e) Responsibility for providing their PCO all relevant information affecting equipment in their program areas. This includes assuring that all equipment properly decayed prior to putting items into service. When equipment has been stolen, lost, or damaged, supervisors must immediately,

upon discovery, notify the appropriate police organization, their PCO, and initiate the Form NIH-254, Report of Loss or Damage of Property. To reduce vulnerability to theft of valuable Government equipment, supervisors should have equipment cabled or anchored to the maximum extent practical. High-risk theft items include personal computers, printers, audio and video equipment, facsimile machines, laboratory balances, answering machines and typewriters.

2. Responsibilities of Supervisors When Subordinate Supervisors Leave

Supervisors should request a physical inventory of equipment and reconciliation of discrepancies prior to subordinate supervisors leaving their positions. This is necessary in order to relieve the departing supervisor of accountability for the property. Until the subordinate supervisory position is filled, the higher-level supervisor is responsible for the accountable equipment in the subordinate's organization.

NIH MANUAL

RELEASE

2/4/93

See paper copy for Appendix VIII - Loan/Donation and Export of
NIH Property to Foreign Countries

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